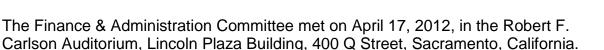


MINUTES OF MEETING

April 17, 2012



The meeting was called to order at 8:00 a.m. and the following members were present:

George Diehr, Chair
Richard Costigan, Vice Chair
Terry McGuire for John Chiang
JJ Jelincic
Henry Jones
Robert Biegler for Bill Lockyer
Ralph Cobb for Julie Chapman

Other Board Member(s):

Rob Feckner

AGENDA ITEM 2 – EXECUTIVE REPORT

Russell Fong, Acting Chief Financial Officer, presented the oral report to the Committee as an information item.

AGENDA ITEM 3 – ACTION CONSENT ITEMS

Mr. Fong presented the Action Consent Items to the Committee for approval.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee approved the Action Consent Items as presented.

AGENDA ITEM 4 – INFORMATION CONSENT ITEMS

The Committee accepted the Information Consent Items as presented.

AGENDA ITEM 5a - BOARD CONTRACT ACTIVITY REPORTING POLICY

Kim Malm, Chief, Operations Support Services Division, presented the proposed Board Contract Activity Reporting Policy as an action item.

Per direction from the Chair, an amendment was added to the policy to include that contract amendments under \$1 million in total value for contracts that have already been reported to the Board do not need to be included in the Report of Prospective Contract Activity.

On **MOTION** by Robert Biegler, **SECONDED** and **CARRIED**, the Committee recommended that the Board approve the amended Board Contract Activity Reporting Policy, effective July 1, 2012.

AGENDA ITEM 6a - 2012-14 BUSINESS PLAN (SECOND READING)

Sean Tracy, Chief, Enterprise Strategy and Performance Division, presented the 2012-14 Business Plan to the Committee as an action item.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee recommended that the Board approve the 2012-14 Business Plan as a second reading.

AGENDA ITEM 7a - ANNUAL BUDGET PROPOSALS (SECOND READING)

Dave Cornejo, Acting Division Chief, Fiscal Services Division, presented the Annual Budget Proposals to the Committee as an action item.

On **MOTION** by Richard Costigan, **SECONDED** and **CARRIED**, the Committee recommended that the Board approve the recommendation of the Fiscal Year (FY) 2012-13 Annual Budget Proposals as listed below:

- Approve the proposed California Public Employees' Retirement System (CalPERS) FY 2012-13 Administrative Budget of \$357,590,000 and 2,490 positions as a second reading.
- 2. Approve the proposed CalPERS FY 2012-13 Enterprise Projects Budget of \$43,570,000 as a second reading.
- 3. Approve the proposed CalPERS FY 2012-13 Headquarters Building Account Budget of \$41,811,000 as a second reading.

4. Approve the transmittal of this agenda item to the Joint Legislative Budget Committee, fiscal committees of the Legislature, State Controller, and Department of Finance, in accordance with the Budget Act of 2011, and to the Legislative Analyst's Office, State and Consumer Services Agency, and the Office of the Legislative Counsel.

JJ Jelincic voted no. Ralph Cobb, on behalf of the Department of Personnel Administration, abstained.

AGENDA ITEM 7b – BOARD MEMBER EMPLOYER REIMBURSEMENTS

Mr. Cornejo presented the Board Member Employer Reimbursements as an action item.

On **MOTION** by Robert Biegler, **SECONDED** and **CARRIED**, the Committee recommended that the Board approve the proposed elected Board member percentages of time to be spent on Board related duties for Fiscal Year 2012-13.

AGENDA ITEM 8a – CONTINGENCY RESERVE FUND ADJUSTMENT PROCESS

Mr. Cornejo presented information regarding internal processes related to the Contingency Reserve Fund (CRF) adjustments and a recommended path forward in addressing future CRF adjustments as an information item.

AGENDA ITEM 8b - CURRENT BUDGET ISSUES

Mr. Cornejo informed the Committee of details regarding the State Budget.

AGENDA ITEM 8c - CURRENT FINANCIAL REPORTING ISSUES

Mr. Cornejo provided an update regarding the Governmental Accounting Standards Board statement on pension accounting and financial reporting.

AGENDA ITEM 9 – PUBLIC COMMENT

There was no public comment.

The meeting of the Finance & Administration Committee was adjourned at 8:43 a.m.

The next Finance & Administration Committee meeting is scheduled for June 11, 2012, in Sacramento, California.

Date:	
	RUSSELL G. FONG
	ACTING CHIEF FINANCIAL OFFICER